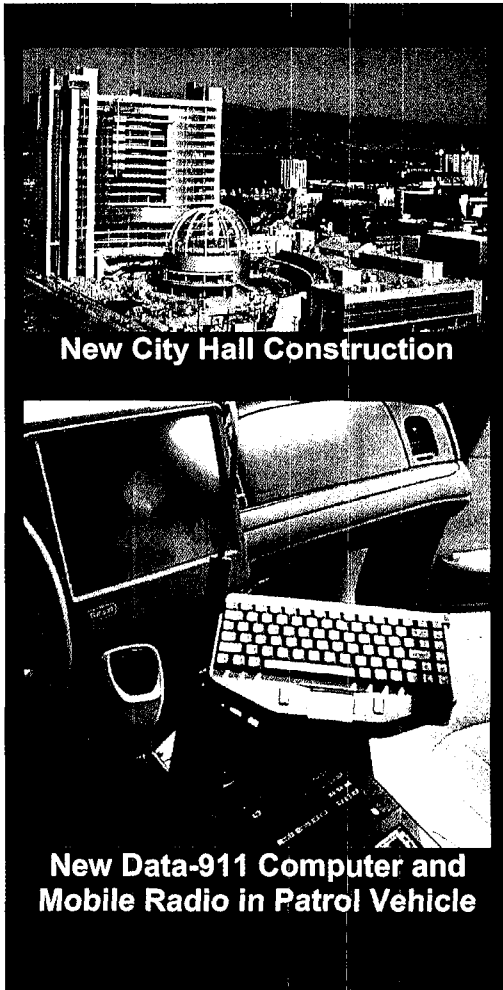


City Service Area **Strategic Support**



New City Hall Construction

**New Data-911 Computer and
Mobile Radio in Patrol Vehicle**

Mission: To effectively develop, manage and safeguard the City's fiscal, physical, technological and human resources to enable and enhance the delivery of City services and projects.

The Strategic Support City Service Area (CSA) is comprised of internal functions that enable the other six CSAs to deliver services to the community and to customers. Relative to the Capital Improvement Program, the partners in the Strategic Support CSA design, build and maintain City facilities while managing the City's financial and technology systems. The City Strategic Support CSA includes the Civic Center, Municipal Improvements, Service Yards, and Communications Capital Programs.

Over the next five years, the largest capital investment in the Strategic Support CSA is the construction of the new City Hall and associated parking structures. Occupancy of this new facility is planned for mid-2005. Due to legal challenges, the off-site employee parking garage project has been delayed and is now scheduled for completion in April 2006. An interim parking plan is also under development. Other capital investments include the replacement and upgrade of the City's public safety and non-public safety communications equipment and the implementation of the Central Service Yard Phase II build-out.

CSA CAPITAL PROGRAMS

- Civic Center Capital Program
- Communications Capital Program
- Municipal Improvements Capital Program
- Service Yards Capital Program

City Service Area Strategic Support

Recent Accomplishments

- City Hall Tower and Council Wing were completed and occupancy of the building occurred as planned.
- Upgraded entire radio system at the Water Pollution Control plant due to obsolescence. Replaced 25 remote "voicing" receivers in year one of a five-year planned replacement project to improve public safety communications with the City's 911 Dispatch Center.
- Executed improvements for the Children's Discovery Museum and Watson Park Skate Park. Improvements continue at several other medium sized projects.
- Central Service Yard Phase II Project schedule accelerated. Initial design and planning has begun.

Program Highlights

Civic Center Capital Program

2006-2010 Adopted CIP: \$30.6 million

New City Hall: Occupancy of the new City Hall occurred on schedule. This facility is comprised of an 18-story office tower, a 3-story Council chamber, and a domed rotunda, housing up to 1,950 employees. An associated off-site parking garage for approximately 1,128 parking spaces will also be completed.

Communications Capital Program

2006-2010 Adopted CIP: \$12.4 million

Communications Equipment and Upgrade: Funding is allocated to keep the City's communications sites, base stations, and approximately 5,500 mobile radios, portable radios, and mobile data systems functioning and up-to-date.

Municipal Improvements Capital Program

2006-2010 Adopted CIP: \$5.8 million

Ongoing Allocations and Rebudgets: Provides funding for HP Pavilion repairs, fuel tank monitoring/replacement, methane monitoring at closed landfills, unanticipated maintenance, and several rebudgets to complete projects. Also reflects San José Redevelopment Agency-funded projects that are being administered by the City of San José.

Service Yards Capital Program

2006-2010 Adopted CIP: \$62.7 million

Central Service Yard Phase II: A revised scope of work, schedule and financing plan for the Central Service Yard Phase II build out has been developed and is in the finalization stages. Construction is expected to begin in FY 2005-2006.

CSA OUTCOMES

(Supported by the Capital Programs)

- ✓ Safe and Functional Public Infrastructure, Facilities, Materials and Equipment
- ✓ Effective Use of State-Of-The-Art Technology

City Service Area Strategic Support

Performance Measures

San Jose's approach to capital project delivery has transitioned from a department level delivery system to a City Service Area (CSA) delivery system during the last few years. A set of consistent and comprehensive performance measurements along with targets and goals have been established for the entire capital program and adopted for each individual CSA. Measures have been established for four key areas: schedule (cycle time), cost, quality, and customer satisfaction. Please see the Budget Guide section narrative for additional information on capital performance measurements.

Outcome: Quality CIP Projects Delivered On-Time and On-Budget

5 Year Strategic Goals		2006-2010 5-yr Goal	2004-2005 1-yr Target	2004-2005 Estimate	2005-2006 1-yr Target	2006-2007 2-yr Target
Strategic Support CSA delivers quality Capital Improvement Program (CIP) projects on-time and on-budget	1. % of CIP projects delivered* within 2 months of approved baseline schedule	85%	85%	100%* 11/11	85%	85%
	2. % of CIP projects that are completed** within the approved baseline budget	90%	90%	N/A**	90%	90%
	3. project delivery costs (exclusive of city-wide overhead) as % of total construction cost for completed projects with construction costs:					
	less than \$500,000-	31%	31%	N/A**	31%	31%
	between \$500,000 and \$3M-	23%	23%	N/A**	23%	23%
	greater than \$3M-	15%	15%	N/A**	15%	15%
	Total (all construction costs)-			N/A**		
	4. % of operations and maintenance divisions rating new or rehabilitated capital facilities as being functional and sustainable after first year of use	80%	80%	TBD***	80%	80%
	5. % of customers rating new or rehabilitated CIP projects as meeting established goals (4 or better based on a scale of 1-5)	85%	85%	TBD***	85%	85%

Notes:

- * Projects are considered to be "delivered" when they are available for their intended use.
- ** Projects are considered to be "completed" when final cost accounting has occurred and the project has been accepted. No projects have been "completed" in 2004-2005.
- *** The New City Hall Project was delivered in June 2005. As such, customer satisfaction surveys will not start until 2005-2006. The operations and maintenance survey will be conducted during the end of 2005-2006.

Capital Program Summary by City Service Area

Strategic Support

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<u>Civic Center Capital Program</u>					
Construction	9,155,000	9,155,000	207,285,000	1st. Qtr. 2003	2nd Qtr. 2005
Design and Construction Management	312,000	312,000	8,812,000	3rd Qtr. 1998	2nd Qtr. 2005
New City Hall Parking Garage	1,319,000	1,319,000	26,153,000	3rd Qtr. 2001	2nd Qtr. 2006
Reserve for Capital Improvements	7,472,262	7,472,262	7,472,262	N/A	N/A
Technology, Furniture and Equipment	10,800,000	10,800,000	45,184,897	1st. Qtr. 2004	3rd. Qtr. 2005
Transfer to the General Fund to Reimburse Project Costs	1,500,000	1,500,000	1,500,000	N/A	N/A
Total: Construction/Non-Construction	30,558,262	30,558,262			
Ending Fund Balance			**		
Total: Civic Center Capital Program	30,558,262	30,558,262	**		
<u>Communications Capital Program</u>					
COPS 2003-2004 Interoperable Communications Grant	4,818,348	4,818,348	4,818,348	4th Qtr. 2004	4th Qtr. 2005
Communications Equipment Replacement and Upgrade	1,736,000	6,208,000	*	Ongoing	Ongoing
Feasibility Study for Hidalgo Radio Site	50,000	50,000	50,000	3rd Qtr. 2004	2nd Qtr. 2006
Fire Dispatch Channel Expansion	70,000	70,000	71,000	3rd Qtr. 2003	2nd Qtr. 2006
Police Dispatch Voting Receivers	263,000	815,000	920,000	3rd Qtr. 2004	2nd Qtr. 2009
Total: Construction/Non-Construction	6,937,348	11,961,348			
Ending Fund Balance	700,655	408,655	**		
Total: Communications Capital Program	7,638,003	12,370,003	**		
<u>Municipal Improvements Capital Program</u>					
Alviso Education Center	400,000	400,000	460,000	2nd Qtr. 2003	TBD
Animal Shelter Facility	59,000	59,000	15,269,000	1st Qtr. 2002	3rd Qtr. 2004
Animal Shelter Facility Tenant Improvements	112,000	112,000	1,000,000	3rd Qtr. 2004	3rd Qtr. 2005

Capital Program Summary by City Service Area

Strategic Support

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<u>Municipal Improvements (Cont'd.)</u>					
<u>Capital Program</u>					
Arena Repairs	415,000	815,000	*	Ongoing	Ongoing
Cirque du Soleil	60,000	60,000	60,000	3rd Qtr. 2005	1st Qtr. 2006
Closed Landfill Compliance	250,000	1,250,000	*	Ongoing	Ongoing
Convention Center Capital Improvements	549	549	2,171,850	1st Qtr. 2001	3rd Qtr. 2005
Convention Center Facility Improvements	200,000	200,000	200,000	2nd Qtr. 2005	2nd Qtr. 2006
Fuel Tank Monitoring	50,000	250,000	*	Ongoing	Ongoing
Interim City Facilities Improvements	1,410,000	1,410,000	1,600,000	1st Qtr. 2004	TBD
Opera San José at Fox Theatre	5,000	5,000	730,491	1st Qtr. 2000	3rd Qtr. 2005
Paseo Plaza Public Art	116,000	116,000	193,000	3rd Qtr. 2003	4th Qtr. 2005
Twohy Building Public Art	146,905	146,905	192,300	3rd Qtr. 2002	4th Qtr. 2005
Unanticipated/Emergency Maintenance	200,000	1,000,000	*	Ongoing	Ongoing
Total: Construction/Non-Construction	3,424,454	5,824,454			
Ending Fund Balance			**		
Total: Municipal Improvements Capital Program	3,424,454	5,824,454	**		
<u>Service Yards Capital Program</u>					
Central Service Yard Phase II	22,736,000	28,746,000	29,496,000	2nd Qtr. 2005	4th. Qtr. 2007
Custodial Services	137,000	717,000	*	Ongoing	Ongoing
Debt Service on Phase I Bonds	1,756,000	1,756,000	5,152,000	3rd Qtr. 2003	1st Qtr. 2006
Debt Service on Phase II Bonds		1,060,000	15,900,000	2008-2009	2037-2038
Demolition and Clean-Up of Main Yard		2,124,000	2,124,000	2007-2008	2007-2008
Infrastructure Management System	44,000	243,000	*	Ongoing	Ongoing
Repayment of Phase II Commercial Paper		22,500,000	22,500,000	2007-2008	2007-2008
Roof Replacement, Painting and Supplemental Needs	400,000	1,900,000	*	Ongoing	Ongoing
Service Yards Equipment	150,000	750,000	*	Ongoing	Ongoing

Capital Program Summary by City Service Area

Strategic Support

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<u>Service Yards Capital Program</u> (Cont'd.)					
Service Yards Management	246,000	1,300,000	*	Ongoing	Ongoing
Underground Fuel Tank Renovation/Replacement	59,000	295,000	*	Ongoing	Ongoing
VTA Property Lease	17,000	91,000	*	Ongoing	Ongoing
Total: Construction/Non-Construction	25,545,000	61,482,000			
Ending Fund Balance	8,513,418	1,242,418 **			
Total: Service Yards Capital Program	34,058,418	62,724,418 **			
 CSA Total: Construction/Non-Construction	 66,465,064	 109,826,064 **			
Ending Fund Balance	9,214,073	1,651,073 **			
CSA Total:	75,679,137	111,477,137 **			

* Total Budget information is not provided due to the ongoing nature of this project.

**The 2005-2006 through 2008-2009 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of same funds.